

**STATE OF HAWAII
STATE PROCUREMENT OFFICE**

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**TESTIMONY
OF
BONNIE KAHAKUI, ACTING ADMINISTRATOR
STATE PROCUREMENT OFFICE**

**TO THE SENATE COMMITTEE
ON
WAYS AND MEANS**

February 24, 2022, 10:00 AM

**SENATE BILL 2662 SD1
RELATING TO CONSTRUCTION WASTE**

Chair Dela Cruz, Vice Chair Keith-Agaran, and members of the committee, thank you for the opportunity to submit testimony on SB2662 SD1. The State Procurement Office (SPO) offers the following comments for page 2, SECTION 2, lines 7 to 20 of the bill as follows:

The bill is unnecessary as HRS §196-9, *Energy efficiency and environmental standards for state facilities, motor vehicles, and transportation fuel*, already requires "(b) With regard to buildings and facilities, each agency shall:

(5) Incorporate principles of waste minimization and pollution prevention, such as reducing, revising, and recycling as a standard operating practice in programs, including programs for waste management in construction and demolition projects and office paper and packaging recycling programs; and

(7) Procure environmentally preferable products, including recycled and recycled-content, bio-based, and other resource-efficient products and materials."

Additionally, HRS §103D-1005, *Recycled products*, states, "(a) To encourage the use of recycled products, contracts shall be awarded to the lowest responsible and responsive bidders, with preference being given to the products containing recycled material." HRS §103D-1005(b) goes on to state that the SPO with the assistance of the office of solid waste management in the department of health, shall develop a recycled product procurement program that shall require state purchasing agencies and urge county purchasing agencies to:

- (1) Apply preference to the purchase of products with recycled content before purchasing products without any recycled content;
- (2) Be consistent with applicable federal specification standards incorporated in Executive Order No. 12873, signed by the President of the United States on October 20, 1993, and any subsequent amendments to that order; and
- (3) Ensure, to the maximum extent economically feasible, the purchase of materials that may be recycled, or reused when discarded, and to avoid the purchase of products deemed environmentally harmful.”

As a result of HRS §103D-1005, the procurement policy board adopted rules (i.e., Hawaii Administrative Rules Title 3 Chapter 124, Subchapter 4, *Recycled Products*) governing the preference for recycled products with the objective to promote the use of recycled products by state and county public purchasing agencies. The purpose of this subchapter is to establish percentages of preference, the method of determining the recycled content to qualify various products for preference, and the application of the preference, as well as require that this preference applies to all solicitations issued pursuant to HRS §103D-302, *Competitive sealed bidding*.

Lastly, the recycling of construction waste is already done by the processes used by the various landfills in the types of materials they will accept for disposal.

Thank you.

DEPARTMENT OF ENVIRONMENTAL SERVICES
CITY AND COUNTY OF HONOLULU

1000 ULUOHIA STREET, SUITE 308, KAPOLEI, HAWAII 96707
TELEPHONE: (808) 768-3486 • FAX: (808) 768-3487 • WEBSITE: <http://envhonolulu.org>



RICK BLANGIARDI
MAYOR

ROGER BABCOCK, JR., Ph.D., P.E.
DIRECTOR DESIGNATE

MICHAEL O'KEEFE
DEPUTY DIRECTOR

ROSS S. TANIMOTO, P.E.
DEPUTY DIRECTOR

IN REPLY REFER TO:
DIR 22-29

February 22, 2022

The Honorable Donovan M. Dela Cruz, Chair
The Honorable Gilbert S.C. Keith-Agaran, Vice Chair
and Members of the Committee on Ways and Means
415 South Beretania Street
Honolulu, Hawaii 96813

Dear Chair Dela Cruz and Vice Chair Keith-Agaran:

SUBJECT: Senate Bill 2662, SD1, Relating to Construction Waste

The City and County of Honolulu's Department of Environmental Services ("ENV") Supports SB 2662, SD1 because it could reduce the amount of construction and demolition ("C&D") waste that is landfilled on Oahu.

As landfills across the state approach capacity and/or are otherwise required to close, it is imperative that we take steps to reduce the amount of waste going into landfills. Targeting C&D waste, which by weight represents the majority of landfilled waste on Oahu, is an effective strategy. SB 2662, SD1 adopts a reasonable and balanced approach of supporting landfill diversion by incentivizing C&D reuse and recycling while safeguarding state and local governments against excessive cost.

Thank you for your consideration. Please feel free to contact me with any questions at 768-3486.

Sincerely,

Roger Babcock, Jr., Ph.D., P.E.
Director Designate

SB-2662-SD-1

Submitted on: 2/18/2022 8:12:07 PM

Testimony for WAM on 2/24/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Ted Bohlen	Testifying for Hawai'i Reef and Ocean Coalition	Support	No

Comments:

SUPPORT!

February 21, 2022

Committee on Ways and Means

RE: SB2662 SD1



Dear Chair Dela Cruz, Vice Chair Keith-Agaran, and Committee Members,

Re-use Hawai'i is a non-profit organization working to keep building materials out of the landfill for the purpose of reuse. The materials we recover are provided to the community as an affordable resource. For 15 years Re-use Hawai'i has diverted a total of 14 million pounds of good reusable materials from the waste stream, valuing over 10 million dollars. We envision a future where natural resources are more broadly preserved by the construction industry in Hawai'i and the community benefits from the availability of locally sourced affordable building material.

SB2662 is a crucial step to help Hawai'i become more sustainable, self-reliant, and resilient. Annually, Oahu generates 2.2 million tons of waste; Construction and Demolition waste is the largest contributor to the waste stream in Hawai'i accounting for 30% of the material sent to the landfill. Landfill facility capacity and closures on O'ahu, Kaua'i, Maui, and Hawai'i Island is a major concern making waste reduction a top priority for the sustainability of our island home. The construction industry can save on disposal costs and provide building owners with a tax-deduction if salvaged materials are donated to a non-profit.

Furthermore, the production of new building materials consumes a tremendous amount of energy. When these items are kept out of the landfill and saved for reuse, all the energy that was invested into them is preserved. For every ton of wood products that are salvaged in Hawai'i, 2 tons of greenhouse gasses are avoided by reducing the need to harvest and produce new products.

Salvaged materials also become an affordable community resource and can be redistributed by organizations such as Habitat for Humanity, Nanakuli Housing Corporation, and Re-use Hawai'i. At our Redistribution Centers in Kaka'ako and Kailua-Kona, we have served 40,000 unique community members including homeowners, renters, farmers, students, artists, film set designers, contractors, and non-profits.

As deemed necessary by the Legislature, we strongly support SB2662 to support the circular economy in Hawai'i and lessen our reliance on landfills.

Mahalo nui loa,

Quinn Vittum, Executive Director



**SENATE COMMITTEE ON WAYS & MEANS
State Capitol, Via Videoconference
415 South Beretania Street
10:00 AM**

February 24, 2022

RE: SB 2662 SD1, RELATING TO CONSTRUCTION WASTE

Chair Dela Cruz, Vice Chair Aragan, and members of the committee:

My name is Daryl Takamiya, 2022 President of the Building Industry Association of Hawaii (BIA-Hawaii). Chartered in 1955, the Building Industry Association of Hawaii is a professional trade organization affiliated with the National Association of Home Builders, representing the building industry and its associates. BIA-Hawaii takes a leadership role in unifying and promoting the interests of the industry to enhance the quality of life for the people of Hawaii. Our members build the communities we all call home.

BIA-Hawaii is in opposition to SB 2662 SD1, Relating to Construction Waste. This bill would require state building codes to incorporate the international green construction code, and sets specific targets for recycling, reuse, donation, and resale of non-hazardous construction waste.

Recycling of demolition materials is currently being done by the processes used by the various landfills in the types of demolition materials they will accept for disposal. Reuse and resale of construction waste is done on a case-by-case basis due to the additional and substantial cost and time required to deconstruct materials. In addition, the "paper trail" imposed in this bill to document the types of materials and percentages will add more additional cost and time to a project.

Mandating this type of requirement to recycle/reuse construction waste will make certain projects uneconomical. It may prevent a homeowner from renovating their home to provide shelter for their family (i.e. multi-generational housing) which in Hawaii's high-cost housing market, is quite common.

Rather than mandating compliance with "green" construction practices, perhaps the Legislature should look for creative ways to incentivize the market to move further in that direction. It may provide better results without impacting local families. The cost of housing in Hawaii is extremely high, with Oahu's median price of homes being currently over \$1 million. Adding more mandates to the cost of building will only serve to further raise this price.

Thank you for the opportunity to share our concerns.



Environmental Caucus of The Democratic Party of Hawai'i

To: The Honorable Donovan Dela Cruz, Chair
The Honorable Gilbert S.C. Keith -Agaran, Vice Chair
Committee on Ways and Means

Re: **SB 2662 SD 1– RELATING TO CONSTRUCTION WASTE**

Hearing: Thursday, February 24, 2022, 10:00 a.m., Conference Room 211 & Videoconference

Position: **Strong support**

Aloha, Chair Dela Cruz, Vice Chair Keith-Agaran and Members of the Committee on Ways and Means:

The Environmental Caucus of the Democratic Party of Hawai'i stands in strong support of SB 2662 SD 1. This measure would require the State Building Codes to incorporate the International Green Construction Code. It further sets specific targets for the recycling, rescue, donation, and resale of non-hazardous construction waste.

The Environmental Caucus supports this bill as there is a need for increased recycling and diversion of construction debris. The adoption of the "international green construction code" by the international code council will surely address material resource conservation and efficiency; construction material management; construction waste management and waste management; and construction material reuse and recycling.

In addition, incentivizing construction debris recycling by giving contract priority to offerors that use the greatest amount of recycled material for construction; measured by square footage, recycle the greatest amount of material from demolition, measured by tonnage, or recycle the greatest amount of material for construction and demolition, combined is a welcomed and needed incentive for the construction industry to recycle and reuse demolition waste material.

This measure will also assist in curbing illegal dumping of construction materials, construction waste, and demolition waste material, including related packaging.

Please support and pass this bill.

Melodie Akiya

Alan Burdick

Co-Chairs, Environmental Caucus of the Democratic Party of Hawai'i

Email: legislativepriorities@gmail.com



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Kailua, HI 96734
808-263-9663
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February 22, 2022

RE: SB2662 – Written Testimony
State of Hawaii
Committee Ways and Means Hearing

To Whom it May Concern:

I am writing in support of SB2662, a positive first step for the State to take action to improve the standards for which homes are built in the islands. As a general contractor, long committed to providing homeowners with the highest standards of construction, we have created a niche in building homes to current IBC standards, which include, International Energy Conservation Code (IECC), International Green Construction Code (IgCC) as well as Energy Star, Indoor AirPlus and other third-party certifications such as LEED. For many of my clients, it is no surprise that the state is far behind in code compliance, efficiency standards, energy conservation and general sustainability when it comes to the construction sector. This is often a topic for many homeowners who are even the slightest bit savvy, particularly those moving from another state where code is up to date and represents the importance of these standards, whereby providing reassurance to homeowners that their needs are effectively being met.

While I understand change is not easy, particularly in a deep-rooted industry like construction, the importance of adopting the IgCC, IECC and other relevant code compliance is not to create a burden on the industry but to provide a peace of mind for all homeowners that their interests are being protected. Particularly, in a place where resources are limited and often strained. The difference between a code built home as required in Hawaii versus a current IBC home is unimaginable and almost shameful. An analogy I often use is our state's code disparity is like offering a 2006 Ford F150 for the price of a 2022 Ford F150, the home being constructed out here are already out of date before they are even lived in. Not to mention, by all aspects of compliance and efficiency, they are inadequate and short-changing the occupants.

For most people, renovating or building a new home is the biggest financial investment that can be made besides purchasing the home and often that can pale in comparison to the work that is being done. The state's lagging code compliance and failure to adopt important conservation practices is not only a disservice to our residents but those that will inherit the future. The impact is dramatic and longstanding, without question, the construction industry is a leader in resource consumption and waste output, whether it be from materials, natural resources, technologies, or the hellacious carbon footprint. Rather than maintaining an outdated and inefficient status quo, adopting these codes, which are tried and true strategies implemented throughout much of the country, we can sequester an industry that is failing its consumers and move it forward to a more sustainable, affordable and durable future.

With Gratitude,

Mike Fairall
808-306-1992

1065 Ahua Street
Honolulu, HI 96819
Phone: 808-833-1681 FAX: 839-4167
Email: info@gcahawaii.org
Website: www.gcahawaii.org



GCA of Hawaii

GENERAL CONTRACTORS ASSOCIATION OF HAWAII

Quality People. Quality Projects.

Uploaded via Capitol Website

February 23, 2022

TO: HONORABLE DONOVAN DELA CRUZ, CHAIR, HONORABLE GILBERT S.C. KEITH-AGARAN, VICE CHAIR, COMMITTEE ON WAYS AND MEANS

SUBJECT: **OPPOSITION OF S.B. 2662 SD1, RELATING TO CONSTRUCTION WASTE.** Requires state building codes to incorporate the international green construction code. Sets specific targets for the recycling, reuse, donation, and resale of non-hazardous construction waste.

HEARING

DATE: Thursday, February 24, 2022
TIME: 10:00 a.m.
PLACE: Video Conference

Dear Chair Dela Cruz, Vice Chair Keith-Agaran and Members of the Committee,

The General Contractors Association of Hawaii (GCA) is an organization comprised of approximately five hundred (500) general contractors, subcontractors, and construction related firms. The GCA was established in 1932 and is the largest construction association in the State of Hawaii. Our mission is to elevate Hawaii's construction industry and strengthen the foundation of our community.

GCA is in **opposition** of S.B. 2662 SD1, which requires state building codes to incorporate the international green construction code. Sets specific targets for the recycling, reuse, donation, and resale of non-hazardous construction waste.

We have concerns because this measure will increase the cost and administrative oversight of construction projects at a time when the state is facing a housing crisis. The final hours before bid submission is already hectic and this will further exacerbate the problem. Further, how is the information going to be verified? This mandate will be another potential source of bid protest that will slow procurement down and increase costs.

The recycling of construction waste is already done by the processes used by the various landfills in the types of materials they will accept for disposal.

Additionally, it is unclear if the language mandates the selection of the offeror using the greatest amount of recycled material even if there are issues raised with past performance.



February 24, 2022

TO: Honorable Donovan Dela Cruz, Chair
Senate Committee on Ways and Means

FROM: Reid Mizue, AIA
Vice President / Legislative Advocacy Group
American Institute of Architects, Hawaii State Council

SUBJECT: **Re: Senate Bill 2662 SD1
Relating to Construction Waste**

The American Institute of Architects

AIA Hawaii State Council
828 Fort Street Mall, Suite 100
Honolulu, HI 96813

T (808) 628-7243
contact@aiahonolulu.org
aiahonolulu.org/AIAHawaiiStateCouncil

Dear Chair Dela Cruz and Members of the Committee,

My name is Reid Mizue VP/President-elect AIA Hawaii Council submitting **OPPOSITION** to Senate Bill 2662 SD1 that requires State Building Code Council SBCC to adopt provisions of International Green Construction Code IGCC; with specific reference to construction waste management. AIA believes that building codes are inappropriate place to regulate construction operations. To date, AIA has not supported adoption of IGCC based on existing laws and rules in the State and counties intended to regulate the same issues; thus avoiding duplication and potential conflicts with existing “green building” regulations. SBCC currently relies entirely on volunteers to amend building codes for Hawaii conditions; leaving volunteers with no additional time to work on any added code.

Ten percent bid premium for public construction

Proposed 10 percent premium for construction recycling is problematic because:

- Each building project is unique. Quantity of recycled material can vary significantly. Yet the bill proposes a uniform 10% \$ premium to priority offeror for what could be insignificant quantity of recycled material being compared among all bidders.
- Bidders will be required to submit additional “difficult to pre-determine” information that can increase bidding overhead costs; possibly leading to less competition for public projects. Quantity surveying of materials, a British-style system, is not done in American public bidding where dollar costs are the determinant.
- Architects must often redesign projects where bid prices exceed budgets, without any additional design fee. The 10% premium could cause priority offers to exceed budgets.

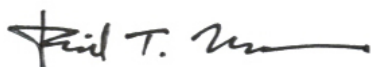
- Agency enforcement process will be problematic if priority contractor fails to meet contracted quantities promised in the bid.
- On large \$ projects a 10% premium can be very significant. This could result in bond holders financing premium cost not directly embodied in the improvement they financed. “Tip fees” imposed by construction landfills would be included in construction value.
- The City & County of Honolulu requires bid amount(s) be submitted for building permit fees. So the premium could result in higher permit fees.
- The language of Page 2 line 15 is confusing and should be revised to say “maximum of ten percent greater than all other bids.”

Recycling mandates in State Building Code

Proposed mandates for public and private construction are highly impractical to impossible to achieve because projects differ so widely. In addition, authority to establish these kinds of code percentages are delegated to the State Building Code Council. Adjusting “tip fees” is the more practical way to minimize construction waste. AIA joins with the rest of Hawaii’s construction industry asking you to defer this bill.

Thank you for this opportunity to **OPPOSE** Senate Bill 2662 SD1.

Sincerely,



Reid Mizue, AIA
American Institute of Architects, Hawaii State Council



LATE

**Testimony to
The Committee on Ways and Means**

Thursday, February 24, 2022

10:00 AM

**VIA Video Conference and Conference Room 211
Hawaii State Capitol**

SB 2662 SD1

Chair Dela Cruz, Vice Chair Keith-Agaran, and members of the committee,

Hawaii Gas **supports the intent of SB 2662 SD1**, which requires state building codes to incorporate the international green construction code; sets specific targets for the recycling, reuse, donation, and resale of non-hazardous construction waste. We have **comments** and request consideration of an **amendment**.

Hawaii Gas is a national leader in the transmission and distribution use of hydrogen in our clean energy mix, and it is our vision to continue to lead the gas industry in its ability to safely, affordably, and reliably increase the amount of renewable resources in our utility pipeline.

As Hawaii marches forward to meet the 2045 clean energy goals, it is imperative that the state turn to as many options as feasibly possible to embrace green technologies and standards. This bill is a good step in that direction.

Construction waste is used to create gaseous fuel for renewable projects that will allow for the use of this valuable resource in our pipeline as Hawaii Gas works to contribute to the state's carbon neutrality goal.

As the committee considers the bill, we ask that the definition of "recycling" be amended to include "renewable gaseous fuel" as follows:

Page 2 Lines 17-20

"Recycling" means reuse or resale of construction or demolition waste material, or conversion of construction or demolition waste material into new building materials, products, or fuel for transportation or renewable gaseous fuel."

We request the committee to include this amendment and pass SB 2662 SD1 with these amendments.

Thank you for the opportunity to testify.

SB-2662-SD-1

Submitted on: 2/19/2022 1:11:08 PM

Testimony for WAM on 2/24/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Gerard Silva	Individual	Oppose	No

Comments:

Any thing to do with Green Wast Was made up by the Comunist to Control people. We will put Up with this No more. Any one conected should be removed Emediatly!!

SB-2662-SD-1

Submitted on: 2/21/2022 8:54:48 PM

Testimony for WAM on 2/24/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Johnnie-Mae L. Perry	Individual	Support	No

Comments:

SUPPORT SB 2662 RELATING TO CONSTRUCTION WASTE.

SB-2662-SD-1

Submitted on: 2/23/2022 1:32:23 AM

Testimony for WAM on 2/24/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Nancy & Zeb Jones	Individual	Support	No

Comments:

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran, and Honorable Committee on Ways & Means Members:

We submit this testimony in SUPPORT of SB2662 Relating to Construction Waste and its disposition. As longtime greenhouse builders, we support amending Section 107-25 of the Hawaii State Building Code to include language consistent with the international green construction code, which focuses on materials conservation, waste management, and material reuse and recycling. We have built our current farm using as many materials as possible from construction material resellers like ReUse Hawaii (mahalo to Ulupono Initiative for their sizeable investment there) and Habitat for Humanity Restore. If more material resellers like these were available statewide, we are confident MANY Hawai'i consumers would seek out reusable construction materials for their home improvement and other project needs.

In addition, as regular users of the Wai`anae Convenience Center (mini-dump), we are often dismayed/frustrated at the number perfectly usable construction/home improvement type materials that could be repurposed. The saying "one man's trash is another man's treasure" is true for many of our "dump runs." However, we also understand how burdensome these added requirements might become to those in the building industry and therefore advocate: 1) more collaboration among the existing construction "waste" resellers and builders; and 2) a more phased approach to adopting these changes – bearing in mind that most O`ahu landfills will reach capacity by 2033.

For all of the above reasons, we urge your honorable members to please pass SB2662, SD1 out of your committee. Mahalo again for this opportunity to present this testimony supporting SB2662, SD 1.

With warm aloha,

Nancy & Zeb Jones

Hydroponics Alternatives LLC



LATE

February 24, 2022

**Senator Donovan Dela Cruz, Chair
Senator Gilbert Keith-Agaran, Vice Chair,
and Members of the Senate Ways and Means Committee**

RE: ICC Supports Passage of SB 2662

Dear Chair, Vice Chair and Committee Members:

The International Code Council (ICC) is a 60,000 member, non-profit public benefit corporation dedicated to helping building safety professionals and the construction industry provide safe, sustainable, environmentally friendly, energy-efficient and affordable construction. The Hawaii State Building Code Council adopts the state's standards used as the model regulations for the design and building construction compliance process used across the State of Hawaii and at the local county governments.

The passage of SB 2662 will benefit the public and the environment. The proposed legislation requires the State Building Code Council to adopt portions of the International Green Construction Code with targets for the recycling, and resale of non-hazardous construction waste. ICC supports this bill as there is a need for recycling and diversion of construction debris. The adoption of the "international green construction code" will help to address material resource conservation and construction waste management and construction material reuse and recycling.

ICC strongly supports and urges passage of SB 2662.

Thank you for your consideration of my comments.

Sincerely,

Kraig M. Stevenson

Kraig Stevenson, CBO
ICC Government Relations
kstevenson@iccsafe.org
562-201-9209